



STATE OF WASHINGTON

WASHINGTON STATE LIQUOR CONTROL BOARD

3000 Pacific Ave SE • PO Box 43075 • Olympia WA 98504-3075 • (360) 664-1600

4-19-02

Phil Wayt
Executive Director
Washington Beer and Wine Wholesalers Association

Dear Phil:

It has come to my attention that some retailers are not paying distributors at the time of delivery or are telling distributors they have to drive to another location to pickup the check. This could be considered extension of credit and is not acceptable.

I believe the retail licensee has only limited options:

1. Pay the distributor at each retail location at the time of delivery
2. Pre-pay the distributor for each retail location that will receive product that day.
3. The retailer could set up a prepaid deposit with the distributor. The price of the product delivered must never exceed the amount of money in the pre-paid deposit.

If you have any questions please call me.

Sincerely,


Randy Reynolds
MIW Program Manager

DEFENDANT'S
EXHIBIT

CASE
NO. C04-0360P

EXHIBIT
NO. 544

Resp to Costco RFP
1565